June 16, 1983

DEPARTMENT OF CONSERVATION DIVISION OF OIL AND GAS

4800 STOCKDALE HWY., SUITE #417 BAKERSFIELD, CALIFORNIA 93309 (805) 322-4031

Mr. Douglas J. Ruckel ARCO OIL & GAS COMPANY P.O. Box 147 Bakersfield, CA. 93302

Gentlemen,

As a result of an appeal made by the Division of Oil and Gas to the Environmental Protection Agency regarding the non-exempt status of the Santa Margarita

Zone, Kern Front field, the previous ruling has been overturned and the currently approved injection intervals in this zone have been exempted for the reinjection of produced oilfield water. This appeal could not have been made and won without your help and we wish to extend our appreciation for your efforts.

The September 14, 1984 deadline for the termination of injection into this zone is therefore rescinded and injection may continue under the prior D.O.G. permit. Should there be any further rulings which may affect any of your underground injection projects, you will be notified.

Yours Truly,

HURO THUCKES

David Mitchell Associate Oil and Gas Engineer